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PROTEST

AGAINST

MR. PITT'S NEW METHOD

OF

RAISING THE SUPPLIES.

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MR. PITT'S NEW METHOD

RAISING THE SUPPLIES
PROTEST

COUNTER-PROJECT



UNIVERSITY OF CAMBRIDGE
MUSEUM

A SECOND REPLY

TO THE ANSWER OF MR. PITT'S NEW METHOD

BY THE AUTHOR OF A NEW SYSTEM OF LOGIC

PRINTED BY J. JOHNSON, ST. PAUL'S CHURCH-YARD

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1791

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PRICE SIXPENCE

A
PROTEST
AGAINST
Mr. PITT's NEW METHOD
OF
RAISING THE SUPPLIES;
WITH A
COUNTER-PROJECT
TO BE
SUBSTITUTED IN ITS PLACE.
INCLUDING
A SECOND REPLY
TO THE
ANALYTICAL REVIEWERS.

BY THE AUTHOR OF THE USE AND ABUSE OF MONEY.

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ought rather to be considered as a
 received than to demand further interest. At any
 rate, their dividend upon the public funds ought
 to be applied to the redemption of the public
 debt.

Thus we have four great sources of extraordinary
 taxation or requisition without contribution, but in a
 very collateral way, a new source of income, and
 forming a new branch of commerce, or any
 kind of trade, which is the object of doing.

(Entered at Stationers' Hall.)

any person who can show a bill of exchange, or any
 the public for which they pay no interest, a sum
 upon bank notes, amounting to a large part of the
 national debt, and to pay the interest upon which
 millions of innocent and hard working families have
 already been imposed.

If bankers refuse to refund all so long as
 their notes circulate by which circulation there
 claim upon the public debt, as the amount
 of those notes, liquidated, is a day, it being
 this circulation, they perceive in changing
 the public debt, for that liquidated debt, it
 further, though their notes bear no interest, and
 their share of the debt by the debt they owe upon
 their circulating notes be already paid, they still
 continue to tax the public for interest of that debt.

ADVERTISEMENT.

THE reader is particularly requested to go quite through the following pages before he pronounces, either upon the general merits or demerits of the work, and to exercise his candour as to circumstantial—such as little errors and omisions, and the author's method of cementing his arguments together; he trusts he shall experience, on their account, that candour which he requests.

As to the corner stones and foundations of the building—the main principles and arguments upon which the propofal is founded, he repeats,

- “ If these fail,
- “ The pillar'd firmament is rottenness,
- “ And earth's base built on stubble.”



A

PROTEST, &c.

THE following proposal for the relief of the public in the present emergency, is the result of long and close contemplation upon the subject, and especially upon the controversy depending between the Analytical Reviewers and the Author.

The Advertisement which was prefixed to the *Use and Abuse of Money*, and part of which precedes this little Pamphlet, was dictated by a presentiment of the Author's inability to do complete justice to his subject. The Analytical Reviewers have shewn, that this apprehension was well founded. They have proved, the Author confesses, against his mode of expression, but he thinks, for his principles, that, had he used the term Banking Stockholders, whose notes are unpaid,

unpaid, and upon which they pay no interest, instead of indefinitely using the term, creditor—if he had said, part of the national debt, instead of national debt generally, and so on; his ideas would then have been more correctly expressed, and clearly understood. But not merely the correction of his language, in some measure, the modification of his original proposal he owes to their animadversions, which their discrimination will easily perceive. His principles, he still believes, are unshaken; but as he contends for truth, rather than for victory, he inserts the whole of what they say, and then gives his proposal; designed at once for the information of the Public, and for a very short reply to the Reviewers; leaving both the Public and the Reviewers to their own more impartial decision upon the modified proposition, and the additional ones which he has ventured, in the present instance, to link with it.

In reviewing the second edition of the Use and Abuse of Money, the Analytical reviewers, Vol. xxiv. page 323, say, "We resume this publication, to inform our readers, that the second edition is prefaced by a spirited and seasonable address to the members of the present parliament, to urge them to exert themselves for the dismissal of the minister, for peace with the French Republic, and for removing the national debt; and to take a brief no-

tice of the author's reply to our strictures on his performance, in our Rev. for August, art. xxxix.

"The writer of this pamphlet cannot be more sensible than we are, of the wretched situation of the lower classes of the community, or more fully convinced, that one principal cause of their distress is the burden of taxes arising from the national debt, and the extreme and daily increasing difficulty of raising supplies to pay the interest. This seems indeed to be acknowledged on all sides. The only point in the reply, which appears to us of sufficient importance to require notice, is the repetition of the leading position of the pamphlet, that the national debt has no real existence. It does not appear to us, that this paradoxical assertion is proved, either in the original pamphlet, or in the additional remarks. The chief arguments offered in it's support are, that the debt has been contracted without the consent of the debtor, and that the creditor never parted with a valuable consideration to raise it. To the first, it is replied, that this transaction is on the same footing with all other transactions of government, sanctioned by parliament; the nation might as justly refuse to pay the army and navy, as to pay the stipulated interest to it's creditors; whilst the relation between the governors and the nation subsists, the whole stock of the latter is virtually pledged to make good the legal contracts

contracts of the former*. The second argument, though often, in the course of this pamphlet, repeated, is wholly unsupported by proof, and is, in our judgment, contradictory to common sense†. The Chancellor of the Exchequer, among all his errors, has never committed so gross a blunder, as that of opening a budget of taxes to pay interest to individuals for the loan of mere paper, not convertible, at pleasure, into guineas‡: and the nation must have been more mad than this writer himself can suppose, to have continued for a century past, paying interest without having received a valuable consideration§. Convinced as we are, of the reality and the justice of the debt, when the burden becomes insupportable, we can conceive no other equitable

* Bankers are debtors, as well as creditors, and therefore this argument, does not apply to them.

† Whose common sense? That of "so sensible a writer as the Author of *Essays on Agriculture*?"

‡ The order of council, dated the 26th of February, 1797, for the directors of the Bank of England to forbear issuing any cash in payment, &c. and the proceedings subsequently had, and still continued thereon, give a sufficient answer to this observation.

§ It will in the course of this Pamphlet be proved, that the nation has not only been thus mad, but more mad still.

way

way of dissolving the bond, than by charging every kind of property, real and personal, with an equal proportion of the encumbrance, and thus making the best dividend we are able on the whole stock of the nation. Such are our present sentiments on the subject: but we are open to conviction; and we shall always respect the suggestions of so sensible and liberal a writer as the Author of *Essays on Agriculture*.*

The first thing which always occurs to the Author, on reading the above criticism, is the extreme liberality with which it is written. Frankly, and in strong language, stating their difficulties and objections where they are not convinced, and as candidly conceding where they are, characterize impartial critics and lovers

* The Author can never consent to Bankers receiving "a portion out of every species of property," till they have paid their notes; or that they ought to continue receiving their dividends, till they pay interest upon their notes; for this reason, as will be further seen in the Pamphlet, he cannot approve of the Reviewer's proposal, or think they have removed the principles upon which his is founded: they have, however, enabled him to make it more perspicuously and justly discriminating, between those who ought, and those who ought not to be paid; for he really did not clearly discern the boundaries of the distinction, till their objections lead him to reconsider the subject.

of truth, whilst this judicious and liberal conduct, lays the Author under more obligations of respect and gratitude to their understandings and impartiality, than he is able properly to express, but which, he hopes, the Reviewers will yet give him credit for.

Were literature, and especially investigating and polemical criticism always thus conducted, mankind and truth would not long continue the strangers which at present they are, nor would the most learned and polished nations in the world have to groan, as they now do, under such a leaden load of errors, and their awful consequences, as almost to justify the abhorrent conclusion, that barbarism is preferable to civilization.

Do the uncivilized and wandering tribes of unlettered *brothers*, whom learned and benevolent literature unblushingly names SAVAGES, murder, and plunder, and distress each other more than polished Europeans do? Amid all our superior information, possessed as we fondly flatter ourselves to be of almost perfection in arts and sciences and literature, are not WE greater *plunderers of property, destroyers of sociality, and human, or rather inhuman murderers of our own species, than THEY?*

Opprobrious

Opprobrious epithets, with which we accustom ourselves to brand those nations, can never alter the nature of actions; and certainly the nations, or rather tribes, whom we in malevolent, not to say savage exultation, term barbarians and savages; are as humane, as just, as social, both in their external and internal connections, and consequently as civilized, though not so hypocritically polite, or profoundly political as lettered ones are. Are then letters of no use to mankind? Or only useful as means of mischief?

Literature! Thou who oughtest to be the censor of the actions, as well as index to the opinions of mankind—uniformly the enemy of blood and violence, and the constant promoter of truth, peace and concord, arise and defend thyself, and remove the propriety of such a question as the above. Art thou asleep in the midst of our quarrels? Or art not thou rather fomenting them? All alive for blood, and endeavouring to barbarize civilization? By planning the schemes, playing on the passions, flattering the vices, masking and disguising, in order to promote the real wishes, views and intentions, and, by imposing on the understanding, deceiving the world into an approbation of the measures of despotism, of systematic and disciplined bloodshed, tyranny and oppression—those blackest

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enemies

enemies of the world, of truth, and of man—the inevitable parents of revolutions and anarchy, because the promoters of human misery ! ! ! !

O ! shame ! shame ! TRUTH asks not leave to appear before thee, and to declare, that some of the most celebrated of thy pupils, and of thy votaries, have voluntarily enlisted themselves amongst her enemies, and the enemies of those, she, with thyself, was designed to serve—peace, liberty, happiness, and man—that under pretence of “ preserving liberty and property,” of “ maintaining the accustomed relations of peace and amity,” thou, who mightest, and whose duty it is to assist her in the *real* civilization of mankind, art provoking and encouraging man to shed the blood of man, to torture his existence, to imprison his person, and to monopolize, confiscate, and plunder his industry and his property, as well as to blind, mislead, and tyrannize over his understanding, to a degree never exhibited where thou hast not been permitted to set thy foot ! ! !

As a lover of peaceable and truth-discovering letters and of mankind, the writer of this shudders at thy shameful, and he almost fears shameless prostitutions, and from thy errors, thy follies, and thy crimes, is tempted to forebode to thee an awful
fate !

fate! For when *truth* is insulted, or rather sacrific'd by literary hypocrites, by those who ought to protect her; whilst those whose good she wishes to promote, are by her pretended friends deprived of her beneficence, *liberty*, and she may be induced, as in ancient times, under similar circumstances, to take their flight together, and leave a darkness behind, more awful than that where they never appeared, and in which thou *Literature* wilt unavoidably and deservedly blunder into the grave which thou hast foolishly and wickedly assisted in digging for them!

Protect, then, those who are lovers of truth, of peace, of man, and of his rights: but spurn those of thy children, who, selling themselves to write falsehoods, must be deemed assassins of these—monsters not exceeded in most barbarous climes! Exert thyself in discriminating between right and wrong, between truth and error, and, unmasking villany and falsehood wherever they appear, and then lay thy labours in defence of peace, man, liberty and truth, faithfully and manfully before the public; for in defending these, be assured, that thou art but defending *thyself*, and by encouraging the enemies of these, *ruining* thyself.

The above digression the author trusts, will not be deemed altogether impertinent, since it cannot be denied, that literature, by disseminating the most scandalous principles and specious falsehoods; deceived mankind, and contributed very materially to the present horrid state of society in Europe: witness the writings of a certain self-dishonoured author, whose literary abilities must always be admired, the brilliancy of which, naturally drew after him a senseless herd of servile imitators, to the irreparable injury of society, and the endangering even of literature herself. Are not such instances to be wept over and condemned? Even though we may at present have reason to hope, that literature is about to resume her former office—to inform and reform, not to deceive and vilify mankind? But let us attend more immediately to the subject in hand.

Mr. PITT's new proposal is founded upon these two curious principles:—First, I am afraid, says the Chancellor, I shall not be able to raise the interest, if I borrow and fund, *therefore*, I must endeavour to raise the principal. Second, If I tax riches and luxury, I am afraid those who depend upon the rich and luxurious will be eventually injured, *therefore*, in order to screen the poor, I will not tax them remotely, but directly.

This

This logic, and this benevolence may do for a Chancellor of the Exchequer, and for a certain party "in that House." but it will never do to act upon in times of distress, or for those who think for themselves. For these reasons I protest against his new proposal with both my hands, and would substitute the following mode of raising the extraordinary supplies, necessary for carrying on this extraordinary business of man-butchering, which, I trust, we shall soon be out of. To begin with exemptions.

I would not tax, more than at present they are taxed; as such, one labourer, one farmer, one manufacturer, or one tradesman—four indispensable classes in all civilized communities, whose interests are reciprocal, whose interests are one, both with each other, and with the public. In lieu of taxing these, I propose large proprietors in land, large capitalists in the public stocks, and those who receive large salaries out of the public purse: but not one of these to be taxed, unless, being a single man, he receive out of one or all of the above sources of revenue, to the amount of 200l. per annum: being a married man without a child, 300l. per annum: a married man with one child, 350l. per annum: and so on, totally exempted from
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the tax, for every additional child, till his revenue amounts to an additional 50*l.* a year.

If a single person of either sex (though I only use the word man, for the sake of perspicuity :) If, then, I say, a single person possess 200*l.* a year—a married person without a child 350*l.* a year, revenue arising out of land, the funds, or the public purse; or out of all of them together; he to pay, out of his revenue amounting to these respective sums, or above, to any amount under 1000*l.* a year, 5*l.* per cent. per annum towards the extraordinary exigences of the times.

If his revenue amount to 1000*l.* a year or upwards, to any amount under 5000*l.* a year; to pay 10*l.* per cent. per annum.

If to 5000*l.* a year, or upwards to any amount under 10,000*l.* a year; to pay 20*l.* per cent. per annum.

If to 10,000*l.* a year or upwards, to any amount under 20,000*l.* a year; to pay 50*l.* per cent. per annum.

And

And lastly, If his revenue amount to 20,000l. a year or upwards to any amount; to pay 100l. per cent per ann. till the expiration of one year after the conclusion of the war, or longer, if found necessary.

This is a mode of raising the extraordinary supplies, calculated to preserve the producing and preparing, without materially injuring the devouring and luxurious part of mankind.

But I have another resource in view, I mean Bankers. I have said nothing about Bankers in the above proposal, which is founded upon the common principle of justice, that the rich and strong ought to bear the burdens which their own folly has brought upon the country, rather than throw them upon the weak, the poor, and the innocent.

We all know, that Bankers are frequently holders of large quantities of stock, which we call National Debt; and that, to the amount of this stock, they are *creditors* of the nation. We further know, that those very Bankers, have frequently, at the same time, large quantities of notes in circulation, and that, to the amount of their circulating notes, Bankers are *debtors* to the nation. Now I argue, that so far the account is balanced and ALREADY LIQUID-

DATED.

DATED. To the amount of a Banker's notes in circulation, his claim upon the public funds is liquidated, and the account already balanced by a fair statement of notes against stock, debtor and creditor—The notes taken by the public, and for which the Banker is debtor to the public, operate, the whole period of their circulation, as a legal *set off* against the stock held by the banker, and at all times, especially in the present situation of the country, ought to be considered in this light.

Again, Bankers, upon their circulating notes, *pay* to the public *no interest*, though, as holders of stock, they *receive* of the public in taxes, *large interest*. Now I ask, why this partiality in favour of Bankers against the public? Is bank paper better security than the paper of the public? Is this, or what else is the cause, that the nation is taxed to pay interest to Bankers on public paper, when Bankers pay no interest to the public on their own paper? Those who take Bank paper receive no interest upon it, yet these very paper Bank Note-takers, are taxed to pay interest on public paper, and this even to these very note-circulating and stock-holding Bankers, though they pay no interest to the the public on their own private paper. From these facts I argue further, that Bankers, so long as their notes continue to be taken by the country, free of interest, ought

ought rather to *refund* what they have already received, than to demand further interest. At any rate, their dividends upon the public funds ought to cease, and be applied to the exigencies of the times.

Thus we have four rich sources of extraordinary taxation or requisition, without touching, but in a very collateral way, a hair of the heads of labour, farming, trade, manufactures, or commerce; or any kind of small proprietors in lands, or funds, or public salaries—This will pay for the war, without injuring any but those who can afford it, and those who owe the public, for which they pay no interest, a sum upon bank notes, amounting to a large part of the national debt, and to pay the interest upon which, millions of innocent and hard working families have already been ruined.

If bankers refuse to refund—if, so long as their notes circulate, by which circulation their claim upon the public debt, is, to the amount of those notes, liquidated; I say, if, during this circulation, they persevere in charging the public debtors for that liquidated debt—if, farther, though their notes bear no interest, and their share of the debt by the debt they owe upon their circulating notes be already paid, they still continue to tax the public for interest of that liqui-

dated debt—in fine, if bankers persevere in trespassing as heretofore and as now they do trespass upon the deluded and abused public, I am sure all the blame and horrors of an unregulated national bankruptcy and revolution, may speedily, and I must add will deservedly, fall upon their heads, and the heads of those ministers, who, in receipt of enormous salaries paid by the public, encourage and protect Bankers, whilst Bankers protect them, as the real authors of all the political calamities of the country, which has hitherto fed and pampered them, by taking the notes of the one, and supporting the other in their places.

Bankers are debtors to the nation to the whole amount of their circulating notes; they pay no interest for this enormous sum of money, which is not their own, but which on demand, is due to others. What do they do with this money?—lend it to the exchequer, and charge the public debtor, and exact interest of it, for its own money. Yes, every holder of a bank note, is paying, in taxes, to the drawers of the note, who hold stock to its amount, interest for his own money. Nay, nor is this all; for though the notes run “on demand,” facts and experience shew us, the money is not to be had. We have given it away for paper, and with paper we must continue to be satisfied, for money is not to be had from

from bankers; they shut their doors, and tell us to go home about our business, unless we are come for more paper, and this they will not give, without charging us debtors for its amount in money: no, nor is this all.

The exchequer has got the money from the Bankers, and the Bankers can no more get it returned to them, than we can get it from the Bankers: for the exchequer shuts its golden doors, and opens only its paper ones, just as banking houses do: so that our money is thus doubly secured—not to, but from us. Nor is this all. What does the exchequer do with this money? Build barracks, and hire troops to live upon our labour, and out of our poverty; and though, our own brothers (were their minds as sanguinary as the colour of their cloaths,) to drag us, if we refuse to fall down and worship, not the golden, but the paper images, which our *Nebuchadnezzar* minister has set up; or if we ask for our own again, or refuse to pay interest to Bankers upon our own money—the principal is gone, they demand and even obtain the interest too—we, the nation, are thus and by the war, ruined—what must be our remedy?

Call upon the legislature to ascertain the amount of stock-holding bankers notes in circula-

tion; and to stop their dividends in the public funds, and apply them to the liquidation of some of the most oppressive existing taxes, at the rate of 5l. per cent per annum upon that amount---to lay the extraordinary taxes afterwards required for the further support of the war, upon the three rich revenues, abovepointed out, and let the whole nation, together with the legislature, unite hand and heart to obtain an *immediate peace*---This is the advice of a friend to ALL



F I N I S.

